

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OKLAHOMA

GWACS ARMORY, LLC, )  
                          )  
Plaintiff,            )  
                          )  
vs.                    ) Case Number  
                          ) 20-cv-0341-CVE-SH  
KE ARMS, LLC, RUSSELL PHAGAN,     ) BASE FILE  
SINISTRAL SHOOTING,         )  
TECHNOLOGIES, LLC, BROWNELLS,     ) Consolidated with:  
INC., and SHAWN NEALON,         ) Case No.  
                          ) 21-cv-0107-CVE-JFJ  
Defendants.            )  
                          )  
and                    )  
                          )  
KE ARMS, LLC,         )  
                          )  
Plaintiff,            )  
                          )  
vs.                    )  
                          )  
GWACS ARMORY, LLC, GWACS     )  
DEFENSE INCORPORATED, JUD     )  
GUDGEL, RUSSELL ANDERSON, DOES )  
I through X, and ROE         )  
CORPORATIONS I through X,     )  
                          )  
Defendants.            )

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THE DEPOSITION OF RUSSELL WAYNE PHAGAN,  
taken on the 26th day of October, 2021, between the hours  
of 9:20 a.m. and 4:42 p.m., on behalf of the Plaintiff  
GWACS, pursuant to Federal Rules of Civil Procedure, at  
the law offices of Hall, Estill, Hardwick, Gable, Golden &  
Nelson, 320 South Boston Avenue, Suite 200, Tulsa,  
Oklahoma, before Linda Fisher, CSR-RPR, and Notary Public  
in and for the State of Oklahoma.

1 gone through documents today where you discussed that very  
2 project with all those people.

3 A. Well, this was interrogatories to Russell  
4 Phagan, not to KE Arms, not to Sinistral Shooting  
5 Technologies. So I responded to that accordingly on the  
6 advice of counsel.

7 Q. So your position is that you have no documents  
8 because that was sent to you as an employee of KE Arms?

9 A. Correct.

10 MR. CALAWAY: And for the record, we've  
11 disclosed all those documents, so --

12 Q. (By Mr. Weger) Do you work at KE Arms as  
13 Russell Phagan, or do you work for KE Arms as an employee  
14 of SST?

15 A. Both. I'm an employee of KE Arms for the  
16 purposes of ATF compliance and SST is a subcontractor for  
17 sales and marketing.

18 Q. So when you receive emails at KE Arms, you  
19 receive them as Russell Phagan, an individual? You  
20 receive them as an employee of KE Arms, and you receive  
21 them as an employee of SST that does marketing or has some  
22 sort of an arrangement with KE Arms; is that right?

23 A. I would say I'm acting in the capacity of a KE  
24 Arms employee at that point.

25 Q. Okay. What -- well, first let me ask you this:

1 Does SST have any agreements with KE Arms?  
2 A. No written agreements.  
3 Q. what kind of verbal agreements do you have?  
4 A. Basically, related to number of hours spent on  
5 sales and marketing activities related to their products  
6 and available rate before that.  
7 Q. How much do you bill them an hour?  
8 A. 22.50 an hour.  
9 Q. And how much have you been paid so far by KE  
10 Arms to SST?  
11 A. I don't know off the top of my head.  
12 Q. Okay.  
13 A. I average somewhere between 40 and \$50,000 a  
14 year between everything from KE Arms.  
15 Q. And how much do you receive in salary from KE  
16 Arms as their employee?  
17 A. \$500 a month.  
18 Q. Okay. And do you have any agreements, verbal,  
19 written or otherwise, with KE Arms with KE Arms with  
20 regard to the sale of KP-15, any kind of commission or  
21 anything else that you receive, either individually, or  
22 through SST?  
23 A. SST receives a \$1 per unit sales bonus for  
24 every KP-15 sold.  
25 Q. And how much have you received from KE Arms for